

(1997 Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Insurance

5-101.

(b) In determining the financial condition of an insurer, the following items related to investments, securities, properties, or loans that the insurer owns shall be allowed as admitted assets:

(1) interest that is due or accrued on a bond or evidence of indebtedness that is:

- (i) not in default; and
- (ii) not valued on a basis that includes accrued interest;

(2) declared and unpaid dividends on shares of stock, unless the amount of those dividends has otherwise been allowed as an asset;

(3) interest that is due or accrued on a collateral loan and that does not exceed 1 year's interest on the loan;

(4) interest that is due or accrued on deposits in solvent banks, solvent trust companies, or savings and loan associations insured by an instrumentality of the United States or of Canada;

(5) if the Commissioner considers that the interest is a collectible asset, interest that is due or accrued on other assets;

(6) if the interest has not accrued for more than 18 months, interest that is due or accrued on a mortgage loan, in an amount not more than any amount by which the value of the property, reduced by the amount of delinquent taxes, exceeds the unpaid principal;

(7) rent that is due or accrued on real property if:

- (i) the rent is not past due for more than 3 months; or
- (ii) the payment is adequately secured by property held in the name of the tenant and conveyed to the insurer as collateral; [and]

(8) the unaccrued part of taxes on real property paid before the due date;

AND

(9) FOR A TITLE INSURER, TITLE PLANTS AS PROVIDED IN § 5-104 OF THIS SUBTITLE.

5-104.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.